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BEFORE THE ARIZONA CORPORATIC

COMMISSIONERS

BOB STUMP—Chairman
 GARY PIERCE
 BRENDA BURNS
 BOB BURNS
 SUSAN BITTER SMITH

Arizona Corporation Commission

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ORIGINAL

IN THE MATTER OF THE APPLICATION
 OF JOHNSON UTILITIES, L.L.C. FOR AN
 EXTENSION OF ITS CERTIFICATE OF
 CONVENIENCE AND NECESSITY FOR
 WATER AND SEWER SERVICES.

DOCKET NO. WS-02987A-12-0136

REQUEST FOR RECOMMENDED
OPINION AND ORDER

Johnson Utilities, L.L.C. ("Johnson Utilities" or the "Company") hereby provides this update on the potential sale and transfer of the Company's assets to the Town of Florence ("Town") and requests that the Hearing Division move forward with the preparation and docketing of a recommended opinion and order in this case.

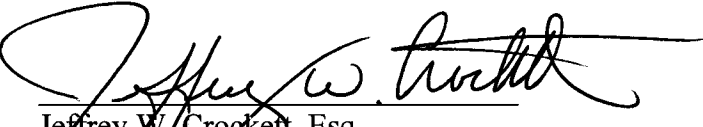
The application for an extension of Johnson Utilities' certificate of convenience and necessity ("CC&N") was filed in this docket on April 6, 2012. A hearing was held on April 18, 2013, and post-hearing briefing was completed on October 17, 2013. On December 31, 2013, the Company filed an Application for Approval of the Sale and Transfer of Assets and Conditional Cancellation of Certificate of Convenience and Necessity (the "Transfer Application") in Docket WS-02987A-13-0477. The Company's Transfer Application was filed with the expectation that the Town's acquisition would move forward at a relatively quick pace, and Johnson Utilities stated in its filing that it would withdraw its other applications pending in various dockets, including the CC&N extension request pending in this docket, once Utilities Division Staff determined that the Transfer Application was sufficient.

Since the Transfer Application was filed late last year, the Town has decided to hold a special election regarding the acquisition. At a council meeting on February 18, 2014, the Town Council voted unanimously to schedule an election for May 20, 2014. Johnson Utilities fully expects that the voters will approve the acquisition at the May election, and that the transfer of

1 utility assets will occur in late May or early June, contingent upon approval by the Commission.
2 However, given the decision to hold an election, the timing of the transfer will not occur as
3 quickly as originally anticipated by the Company. As a result, Johnson Utilities requests that the
4 CC&N extension in this docket move forward to a conclusion without delay as the developer of
5 the Merrill Ranch Expansion One area has requested completion of the case. Pulte Home
6 Corporation ("Pulte") informs Johnson Utilities that it has submitted subdivision plans for a
7 portion of the Merrill Ranch Expansion One parcel, Unit 53, to the Town and must have water
8 and sewer service CC&Ns and an assured water supply in order to obtain final approval of a
9 subdivision plat. Pulte has told the Company that a delay in the issuance of a decision in this
10 docket will negatively impact the development schedule.

11 RESPECTFULLY submitted this 24th day of February, 2014.

12 BROWNSTEIN HYATT FARBER SCHRECK LLP

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18 Attorneys for Johnson Utilities, L.L.C.

19 ORIGINAL and thirteen (13) copies of the
20 foregoing filed this 24th day of February, 2014, with:

21 Docket Control
22 ARIZONA CORPORATION COMMISSION
23 1200 West Washington Street
24 Phoenix, Arizona 85007


25 Copy of the foregoing hand-delivered
26 this 24th day of February, 2014, to:

27 Yvette B. Kinsey, Administrative Law Judge
28 Hearing Division
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